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NSC BRIEFING

28 May 1958

INDONESIA

- I. Central government's military campaign against North Celebes dissidents continues with progressive operations to isolate dissident capital of Manado.
 - A. Island of Morotai recaptured.
 - B. Government on 25 May took Sangihe and Talaud island groups north of Celebes.
 - C. In Halmahera, Djailolo airfield is said to be still in dissident hands but surrounded by government forces.
 - D. On Celebes itself, fighting taking place in Palu and Gorontalo areas.
- II. In Central Sumatra, central government administrators plagued by reconstruction problems.
 - A. Chief problems are passive resistance to occupation ~~officials~~ and lack civil servants who either fled or were intimidated by dissidents.
 - B. Col Jani, military administrator for area, told US army attache trouble can be expected if govt "does not move and quit talking"
 1. Apparently he was referring to possibility of increased guerrilla activity.
 - (a) It is estimated that upwards of 3,000 dissidents are still in Central and North Sumatra conducting guerrilla warfare.

DIA and DOS review(s) completed.

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C.

Sumatran regionalism is stronger than before revolt and basic objections to Djakarta remain.

III. In Djakarta, Foreign Minister Subandrio told US ambassador announcement of cabinet reorganization is set for 5 June.

A. Ambassador says indications are Prime Minister Djuanda would continue in office, pro-Communist Hanafi who is Minister for Reconstruction would be dropped along with other leftists, and Sultan of Jogjakarta might be included in new cabinet.

IV. Soviet bloc deliveries continue.

A. [] four IL-14s arrived Medan 22 May and departed following day for Java; []

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1. One IL-14 demonstrated at Djakarta on 27 May. Two MIGs also displayed.

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